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SUBJECT: YEMEN'S DEMOCRATIC REFORM STRATEGY REVISED

REF: A. SANAA 926 •B. SANAA 1771

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11. SUMMARY: Since its articulation of a Democratic Reform Strategy nearly one year ago, Post has registered a number of successes. The sustainability of such changes remains uncertain, however, and they are at best only small steps on the road to democracy. In order to consolidate recent reforms and push for additional progress, Post is revising its Democratic Reform Strategy (DRS) for the coming year. The new strategy establishes clear milestones for democratic reform in elections, the media, civil society, and the power of the President, outlining specific programs Post will use and develop to achieve these ends. END SUMMARY.

Democratic Reform To Date

- 12. In the last year, the DRS for the Freedom Agenda has made great strides in Yemen. Post coordinated a strategy with other missions and international organizations in Yemen to press the ROYG to adopt reforms, resulting in a Cabinet change and a new government reform plan. (REF A) This led to some improvements in press freedom, rule of law, and anti-corruption efforts. Post maintained momentum by engaging the ROYG in its efforts to regain threshold status for the Millennium Challenge Account (MCA) and tracking Yemen's progress on specific reforms.
- 13. During a MEPI visit to Sanaa in May 2000, Emboffs discussed with the Middle East Partnership Initiative (MEPI) team the need for a more targeted Democratic Reform Strategy in order to capitalize on the current momentum for reform. It was agreed that a clearer focus would allow Post to better utilize available resources from MEPI, USAID, and other sources. In place of the usual Freedom Agenda quarterly report, this cable aims to reset Embassy Sanaa's goals for its DRS, and to outline specific strategies for the coming months.
- 14. Post will pursue four milestones as the core of Yemen's DRS, with anti-corruption as a cross-cutting goal in each area:
- * Open and transparent presidential and local council elections in September;
- * Reform of press legislation that protects a free media and civil society;
- * Increased capacity in civil society to effectively advocate for reform;
- $\ensuremath{^{\star}}$ Improved system of checks and balances within ROYG institutions.

- 15. Presidential and local council elections are scheduled for September 2006. Judging by National Democratic Institute (NDI) reports on recent by-elections and the registration process, Post is expecting irregularities and will reevaluate its long-term strategy after September. Nevertheless, a number of recent developments have increased the importance of this year's elections. For the first time in Yemen's history, opposition parties nominated a common candidate to oppose President Saleh. In addition, the ruling GPC party and the opposition recently signed an agreement to reform elections administration and assure equal access to the media. Post maintains modest expectations, but the following strategies will help to achieve substantial gains for Yemen's elections process:
- * A MEPI-funded elections monitoring program through NDI will set benchmarks for upcoming elections and train local monitors to report violations. The final report will form the basis of Post conclusions about the ROYG's elections performance.
- * An existing program with the International Foundation for Electoral Systems (IFES) will train elections staff and help resolve disputes at the polls peacefully.
- * Post will coordinate with the European Union, the United Nations Development Program and others on diplomatic approaches with the ROYG following: 1) the upcoming release of the USG-backed voter registration monitoring effort by NDI; 2) a planned pre-election assessment by NDI; and 3) the domestic election effort mentioned above.

Milestone 2: Reform of Press Legislation

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16. Embassy's sustained pressure on the ROYG regarding press freedom has produced a significant change in policy over the past quarter. The ROYG suspended a proposed press law, uniformly opposed by journalists and civil society, pending further discussions. Attacks against journalists have nearly

uniformly opposed by journalists and civil society, pending further discussions. Attacks against journalists have nearly disappeared in recent months, largely as a result of the ROYG's desire to improve its standing with the MCA. The following strategies are intended to build on this progress to expand and protect freedom of expression:

- * Post will seek the assistance of the MEPI-funded IREX regional program to work with journalists and civil society in advocating for free speech and influencing new legislation.
- * Post will coordinate with other donor efforts, including the BBC Trust and the Danish Media Program, and seek to fill specific gaps (such as Internet news training) through MEPI and PD small grants.
- * Using such programs as MEPI's regional grant with NYU, Post will help professionalize Yemen's independent media, and provide training on how to succeed commercially.

Milestone 3: Civil Society Advocacy

17. Yemen's civil society is broad and active, but generally lacking in capacity and basic skills required for effective organizing and advocacy. Over the past year, Post has explored a number of program options with MEPI and USAID to address this need, but has not as yet arrived at the right formula. Rather than pursue a comprehensive civil society training facility, the revised strategy will improve NGO

capacity through more targeted interventions:

- * A MEPI grant to the Civil Democratic Forum, a local NGO, will work with welfare organizations to transform them into effective advocates for human rights and democracy.
- * As part of the Democracy Assistance Dialogue, local NGOs HRITC and the Sisters Arab Forum will strengthen civil society networks advocating for human rights and democracy in the region.
- * Post will use the MEPI small grants program to identify promising local NGOs, improving their capacity to become active players in Yemeni civil society.
- * Post endorses the concept (and seeks MEPI support for) an NGO hub, designed to bring together the most active civil society members in a democratically run association. Such an organization will provide programming opportunities to support local NGOs in effective networking and advocacy strategies, with a focus on pressing governance issues such as corruption.

Milestone 4: Checks and Balances

- ¶8. President Saleh's recent decision to seek another seven-year term ensures that he will remain a dominant force in the Yemeni polity for the foreseeable future. In recent months, however, there have been promising signs that Saleh may be willing to relinquish some of his power to other branches of government. In May, Saleh signed a law removing the Supreme Judicial Council from the office of the President. (REF B) Earlier in the year, Parliament overrode a Presidential veto for the first time in its history. In the revised DRS, Post seeks to support this trend and utilize all available expertise to this end:
- * The MEPI-funded ABA/CEELI office in Sanaa will focus on assisting the Supreme Judicial Council to establish its independence from the executive branch.
- * Post will support NDI in its work with reform-minded parliamentarians, especially as they tackle issues of corruption and public finance, and look to expand the program to work directly with relevant parliamentary committees (e.g. finance and budget).
- * USAID will extend support for decentralization and assess the effectiveness of such efforts, in cooperation with UNDP, with the aim of strengthening fiscal autonomy and civil society participation in local government. Post will employ additional diplomatic approaches to the ROYG to encourage the transfer of funds for central to local authorities.

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* Post will explore possibilities for supporting anti-corruption initiatives both in government and civil society, following a USAID assessment in the summer of 2006. Khoury